



**Termination**

This Lease may be terminated early by Lessor in the event Lessee fails (i) to pay rent, or (ii) to cure a material breach within thirty days of Notice of the Breach.

5.

**LEASE COMMENCEMENT DATE:**

The Lease Term shall commence upon issuance of a certificate of occupancy of the hotel by the City of San Juan Capistrano.

6.

**DEPOSIT:**

Within <sup>ten</sup> ~~five~~ <sup>10</sup> ~~(5)~~ days of signing ~~this lease~~ the Lessee shall deposit with Lessor the equivalent of two months of non-refundable lease payments as consideration for this binding Lease.

City Council  
Approval

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7.

**RENTAL RATE:**

The monthly Rental Rate shall be set at \$3,000 per month and increase three percent (3%) each year. The Rent will be due by the fifth (5<sup>th</sup>) day of each month. A ten percent (10%) late fee will apply for any payments after the fifth (5<sup>th</sup>) along with a ten percent (10%) annual interest charge.

8.

**SIGNAGE**

Lessee is responsible for the cost of any signage relating to the lease of the parking spaces. Any signage must be approved by the Lessor and comply with applicable zoning regulations prior to installation.

9. **DEVELOPMENT CLAUSE:** The Lessor may terminate this lease early (i) if at some point in the course of the lease lessor determine it needs the parking lot space to redevelop the property, or in the event of a sale of the Property. In this case the Lessor can terminate the lease by providing six (6) months written notice.
10. **SUBLEASE/ASSIGNMENT:** Lessee shall only have the right to assign this Lease to the current owner of the Hotel located on the corner of Forster and Camino Capistrano in San Juan Capistrano.
11. **MAINTENANCE AND REPAIR** Lessee shall keep the parking area in a neat and clean condition. Lessee shall contribute its pro-rata share (50%) of the cost of any repair, maintenance and improvement, lighting and landscaping of the parking lot area. Such costs shall be treated as Additional Rent and Lessee will pay Lessor the amount of such Additional Rent within sixty (60) days of invoice.
12. **SECURITY** Lessor shall not be liable for security for the parking area. Lessee shall be solely responsible for adequate lighting and security of the Parking Lot during after hours.

*[Handwritten signature]*  
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13.

**INSURANCE / INDEMNITY**

Lessee shall obtain and maintain liability insurance covering claims of third parties for property damage and personal injury or death and name the Lessor as an additional insured. Lessee will indemnify, defend and hold Lessor harmless from and against personal injury and property damage for loss or injury resulting from Lessee's acts or omissions.

**EFFECTIVE DATE:** \_\_\_\_\_

**AGREED AND ACCEPTED:**

**Tenant:**

By: *Andrew Wood*

Title: *Manager*

Date: *7/1/2004*

**Landlord:**

By: *Ernie Brown*

Title: *General Partner*

Date: *6-13-2014*